## SECOND REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR SENATE COMMITTEE SUBSTITUTE FOR

## SENATE BILL NO. 616

## 93RD GENERAL ASSEMBLY

Reported from the Committee on Senior Citizen Advocacy May 2, 2006 with recommendation that House Committee Substitute for Senate Committee Substitute for Senate Bill No. 616 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

3627L.11C

## AN ACT

To repeal sections 198.006 and 198.073, RSMo, and to enact in lieu thereof four new sections relating to assisted living facilities.

Be it enacted by the General Assembly of the state of Missouri, as follows:

- Section A. Sections 198.006 and 198.073, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 198.005, 198.006, 198.073, and 1, to read as
- 3 follows:

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- 198.005. The term "residential care facility I" shall be referred to as a "residential
- 2 care facility", and the term "residential care facility II" shall be referred to as "assisted
- 3 living facility". The revisor of statutes shall make the appropriate changes to all such
- 4 references in the revised statutes, except that references to residential care facilities as
- 5 defined in section 210.481, RSMo, or residential facilities licensed by the department of
- 6 mental health shall not be changed.
  - 198.006. As used in sections 198.003 to 198.186, unless the context clearly indicates otherwise, the following terms mean:
- 3 (1) "Abuse", the infliction of physical, sexual, or emotional injury or harm;
- 4 (2) "Activities of daily living" or "ADL", one or more of the following activities of daily living:
- 6 (a) Eating;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 7 **(b) Dressing**;
- 8 (c) Bathing;
- 9 **(d) Toileting**;
- 10 (e) Transferring; and
- 11 (f) Walking;

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- 12 (3) "Administrator", the person who is in general administrative charge of a facility;
- 13 [(3)] **(4)** "Affiliate":
  - (a) With respect to a partnership, each partner thereof;
- 15 (b) With respect to a limited partnership, the general partner and each limited partner with an interest of five percent or more in the limited partnership;
  - (c) With respect to a corporation, each person who owns, holds or has the power to vote five percent or more of any class of securities issued by the corporation, and each officer and director;
    - (d) With respect to a natural person, any parent, child, sibling, or spouse of that person;
  - (5) "Appropriately trained and qualified individual", an individual who is licensed with the state of Missouri in a health care related field or an individual with a degree in a health care, social services, or human services field or an individual licensed under chapter 344, RSMo, and who has received facility orientation training under 19 CSR 30-86042(18), and dementia training under section 660.050, RSMo, and twenty-four hours of additional training, approved by the department, consisting of definition and assessment of activities of daily living, assessment of cognitive ability, service planning, and interview skills;
  - (6) "Assisted living facility", any premises, other than a residential care facility, intermediate care facility, or skilled nursing facility that is utilized by its owner, operator, or manager to provide twenty-four hour care and services and protective oversight to three or more residents who are provided with shelter, board, and who need and are provided with one or more of the following:
  - (a) Assistance with any activities of daily living and any instrumental activities of daily living;
    - (b) Storage, distribution, or administration of medications; and
- 37 (c) Supervision of health care under the direction of a licensed physician, provided that such services are consistent with a social model of care;
- Such term shall not include a facility where all of the residents are related within the fourth degree of consanguinity or affinity to the owner, operator, or manager of the facility;

- (7) "Community based assessment", documented basic information and analysis provided by appropriately trained and qualified individuals describing an individual's abilities and needs in activities of daily living, instrumental activities of daily living, vision/hearing, nutrition, social participation and support, and cognitive functioning using an assessment tool approved by the department of health and senior services, that is designed for community based services and that is not the nursing home minimum data set;
- (8) "Dementia", a general term for the loss of thinking, remembering, and reasoning so severe that it interferes with an individual's daily functioning, and may cause symptoms that include changes in personality, mood, and behavior;
  - [(4)] (9) "Department", the Missouri department of health and senior services;
- [(5)] (10) "Emergency", a situation, physical condition or one or more practices, methods or operations which presents imminent danger of death or serious physical or mental harm to residents of a facility;
- [(6)] (11) "Facility", any residential care facility [I, residential care facility II, immediate], assisted living facility, intermediate care facility, or skilled nursing facility;
- [(7)] (12) "Health care provider", any person providing health care services or goods to residents and who receives funds in payment for such goods or services under Medicaid;
- 59 (13) "Instrumental activities of daily living", or "IADL", one or more of the 60 following activities:
  - (a) Preparing meals;
    - (b) Shopping for personal items;
  - (c) Medication management;
- 64 (d) Managing money;
- 65 (e) Using the telephone;
- 66 (f) Housework; and
  - (g) Transportation ability;
  - [(8)] (14) "Intermediate care facility", any premises, other than a residential care facility [I, residential care facility II], assisted living facility, or skilled nursing facility, which is utilized by its owner, operator, or manager to provide twenty-four hour accommodation, board, personal care, and basic health and nursing care services under the daily supervision of a licensed nurse and under the direction of a licensed physician to three or more residents dependent for care and supervision and who are not related within the fourth degree of consanguinity or affinity to the owner, operator or manager of the facility;
- **[(9)] (15)** "Manager", any person other than the administrator of a facility who contracts 76 or otherwise agrees with an owner or operator to supervise the general operation of a facility,

providing such services as hiring and training personnel, purchasing supplies, keeping financial records, and making reports;

- [(10)] **(16)** "Medicaid", medical assistance under section 208.151, RSMo, et seq., in compliance with Title XIX, Public Law 89-97, 1965 amendments to the Social Security Act (42 U.S.C. 301 et seq.), as amended;
- [(11)] (17) "Neglect", the failure to provide, by those responsible for the care, custody, and control of a resident in a facility, the services which are reasonable and necessary to maintain the physical and mental health of the resident, when such failure presents either an imminent danger to the health, safety or welfare of the resident or a substantial probability that death or serious physical harm would result;
- [(12)] (18) "Operator", any person licensed or required to be licensed under the provisions of sections 198.003 to 198.096 in order to establish, conduct or maintain a facility;
  - [(13)] (19) "Owner", any person who owns an interest of five percent or more in:
  - (a) The land on which any facility is located;
  - (b) The structure or structures in which any facility is located;
- (c) Any mortgage, contract for deed, or other obligation secured in whole or in part by the land or structure in or on which a facility is located; or
  - (d) Any lease or sublease of the land or structure in or on which a facility is located.

- "Owner" does not include a holder of a debenture or bond purchased at public issue nor does it include any regulated lender unless the entity or person directly or through a subsidiary operates a facility;
- [(14)] (20) "Protective oversight", an awareness twenty-four hours a day of the location of a resident, the ability to intervene on behalf of the resident, the supervision of nutrition, medication, or actual provisions of care, and the responsibility for the welfare of the resident, except where the resident is on voluntary leave;
- [(15)] **(21)** "Resident", a person who by reason of aging, illness, disease, or physical or mental infirmity receives or requires care and services furnished by a facility and who resides or boards in or is otherwise kept, cared for, treated or accommodated in such facility for a period exceeding twenty-four consecutive hours;
- [(16)] (22) "Residential care facility [I]", any premises, other than [a residential care facility II] an assisted living facility, intermediate care facility, or skilled nursing facility, which is utilized by its owner, operator or manager to provide twenty-four hour care to three or more residents, who are not related within the fourth degree of consanguinity or affinity to the owner, operator, or manager of the facility and who need or are provided with shelter, board, and with

protective oversight, which may include storage and distribution or administration of medications and care during short-term illness or recuperation;

- [(17) "Residential care facility II", any premises, other than a residential care facility I, an intermediate care facility, or a skilled nursing facility, which is utilized by its owner, operator or manager to provide twenty-four hour accommodation, board, and care to three or more residents who are not related within the fourth degree of consanguinity or affinity to the owner, operator, or manager of the facility, and who need or are provided with supervision of diets, assistance in personal care, storage and distribution or administration of medications, supervision of health care under the direction of a licensed physician, and protective oversight, including care during short-term illness or recuperation;
- (18)] (23) "Skilled nursing facility", any premises, other than a residential care facility [I, a residential care facility II], an assisted living facility, or an intermediate care facility, which is utilized by its owner, operator or manager to provide for twenty-four hour accommodation, board and skilled nursing care and treatment services to at least three residents who are not related within the fourth degree of consanguinity or affinity to the owner, operator or manager of the facility. Skilled nursing care and treatment services are those services commonly performed by or under the supervision of a registered professional nurse for individuals requiring twenty-four hours a day care by licensed nursing personnel including acts of observation, care and counsel of the aged, ill, injured or infirm, the administration of medications and treatments as prescribed by a licensed physician or dentist, and other nursing functions requiring substantial specialized judgment and skill;
- (24) "Social model of care", long-term care services based on the abilities, desires, and functional needs of the individual delivered in a setting that is more home-like than institutional and promotes the dignity, individuality, privacy, independence, and autonomy of the individual. Any facility licensed as a residential care facility I or residential care facility II prior to August 28, 2006, shall qualify as being more homelike than institutional;
  - [(19)] (25) "Vendor", any person selling goods or services to a health care provider;
- [(20)] (26) "Voluntary leave", an off-premise leave initiated by:
- 140 (a) A resident that has not been declared mentally incompetent or incapacitated by a 141 court; or
- 142 (b) A legal guardian of a resident that has been declared mentally incompetent or 143 incapacitated by a court.
  - 198.073. 1. [Except as provided in subsection 3 of this section,] A residential care facility [II or residential care facility I] shall admit or retain only those persons who are capable mentally and physically of negotiating a normal path to safety using assistive devices or aids

4 when necessary, and who may need assisted personal care within the limitations of such facilities, and who do not require hospitalization or skilled nursing care.

- 2. Notwithstanding the provisions of subsection [3] 1 of this section, those persons previously qualified for residence who may have a temporary period of incapacity due to illness, surgery, or injury, which period does not exceed forty-five days, may be allowed to remain in a residential care facility [II or residential care facility I] or assisted living facility if approved by a physician.
- [3. A residential care facility II may admit or continue to care for those persons who are physically capable of negotiating a normal path to safety using assistive devices or aids when necessary but are mentally incapable of negotiating such a path to safety that have been diagnosed with Alzheimer's disease or Alzheimer's related dementia, if the following requirements are met:
- (1) A family member or legal representative of the resident, in consultation with the resident's primary physician and the facility, determines that the facility can meet the needs of the resident. The facility shall document the decision regarding continued placement in the facility through written verification by the family member, physician and the facility representative;
- (2) The facility is equipped with an automatic sprinkler system, in compliance with National Fire Protection Association Code 13 or National Fire Protection Association Code 13R, and an automated fire door system and smoke alarms in compliance with 13-3.4 of the 1997 Life Safety Codes for Existing Health Care Occupancy;
- (3) In a multilevel facility, residents who are mentally incapable of negotiating a pathway to safety are housed only on the ground floor;
- (4) The facility shall take necessary measures to provide residents with the opportunity to explore the facility and, if appropriate, its grounds;
- (5) The facility shall be staffed twenty-four hours a day by the appropriate number and type of personnel necessary for the proper care of residents and upkeep of the facility. In meeting such staffing requirements, every resident who is mentally incapable of negotiating a pathway to safety shall count as three residents. All on-duty staff of the facility shall, at all times, be awake, dressed and prepared to assist residents in case of emergency;
- (6) Every resident mentally incapable of negotiating a pathway to safety in the facility shall be assessed by a licensed professional, as defined in sections 334.010 to 334.265, RSMo, chapter 335, RSMo, or chapter 337, RSMo, with an assessment instrument utilized by the division of aging known as the minimum data set used for assessing residents of skilled nursing facilities:
- 39 (a) Upon admission;

- 40 (b) At least semiannually; and
- 41 (c) When a significant change has occurred in the resident's condition which may require 42 additional services;
  - (7) Based on the assessment in subdivision (6) of this subsection, a licensed professional, as defined in sections 334.010 to 334.265, RSMo, chapter 335, RSMo, or chapter 337, RSMo, shall develop an individualized service plan for every resident who is mentally incapable of negotiating a pathway to safety. Such individualized service plan shall be implemented by the facility's staff to meet the specific needs of the resident;
  - (8) Every facility shall use a personal electronic monitoring device for any resident whose physician recommends the use of such device;
  - (9) All facility personnel who will provide direct care to residents who are mentally incapable of negotiating a pathway to safety shall receive at least twenty-four hours of training within the first thirty days of employment. At least twelve hours of such training shall be classroom instruction, with six classroom instruction hours and two on-the-job training hours related to the special needs, care and safety of residents with dementia;
  - (10) All personnel of the facility, regardless of whether such personnel provides direct care to residents who cannot negotiate a pathway to safety, shall receive on a quarterly basis at least four hours of in-service training, with at least two such hours relating to the care and safety of residents who are mentally incapable of negotiating a pathway to safety;
  - (11) Every facility shall make available and implement self-care, productive and leisure activity programs for persons with dementia which maximize and encourage the resident's optimal functional ability;
  - (12) Every facility shall develop and implement a plan to protect the rights, privacy and safety of all residents and to prevent the financial exploitation of all residents; and
  - (13) A licensee of any licensed residential care facility or any residential care facility shall ensure that its facility does not accept or retain a resident who is mentally incapable of negotiating a normal pathway to safety using assistive devices and aids that:
    - (a) Has exhibited behaviors which indicate such resident is a danger to self or others;
    - (b) Is at constant risk of elopement;
    - (c) Requires physical restraint;
    - (d) Requires chemical restraint. As used in this subdivision, the following terms mean:
  - a. "Chemical restraint", a psychopharmacologic drug that is used for discipline or convenience and not required to treat medical symptoms;
- b. "Convenience", any action taken by the facility to control resident behavior or maintain residents with a lesser amount of effort by the facility and not in the resident's best interests;

- 76 c. "Discipline", any action taken by the facility for the purpose of punishing or penalizing 77 residents;
  - (e) Requires skilled nursing services as defined in subdivision (17) of section 198.003 for which the facility is not licensed or able to provide;
  - (f) Requires more than one person to simultaneously physically assist the resident with any activity of daily living, with the exception of bathing;
    - (g) Is bed-bound or chair-bound due to a debilitating or chronic condition.
  - 4. The facility shall not care for any person unless such facility is able to provide appropriate services for and meet the needs of such person.
  - 5. Nothing in this chapter shall prevent a facility from discharging a resident who is a danger to himself or herself, or to others.
  - 6. The training requirements established in subdivisions (9) and (10) of subsection 3 of this section shall fully satisfy the training requirements for the program described in subdivision (18) of subsection 1 of section 208.152, RSMo.
  - 7. The division of aging shall promulgate rules to ensure compliance with this section and to sanction facilities that fail to comply with this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 1999, shall be invalid and void.]
  - 3. Any facility licensed as a residential care facility on August 27, 2006, shall be granted a license as an assisted living facility, as defined in section 198.006, on August 28, 2006, regardless of the laws, rules, and regulations for licensure as an assisted living facility as long as such facility continues to meet all laws, rules, and regulations that were in place on August 27, 2006, for a residential care facility II. At such time that the average total reimbursement for the care of persons eligible for Medicaid in an assisted living facility is equal to or exceeds forty-five percent of the average total reimbursement rate for care of such persons in a skilled nursing facility, all facilities with a license as an assisted living facility shall meet all laws, rules, and regulations for licensure as an assisted living facility. Nothing in this section shall be construed to allow any facility that has not met the requirements of subsections 4 and 6 of this section to care for any individual with a physical, cognitive, or other impairment that prevents the individual from safely evacuating the facility.

- 4. Any facility applying for licensure as an assisted living facility, as defined in section 198.006, that were not licensed as a residential care facility II on August 27, 2006, may admit an individual for residency in an assisted living facility, or remain in such facility, only if the individual does not require hospitalization or skilled nursing placement, and only if the facility:
  - (1) Provides for or coordinates oversight and services to meet the needs of the resident as documented in a written contract signed by the resident, or legal representative of the resident;
  - (2) Has twenty-four hour staff appropriate in numbers and with appropriate skills to provide such services;
  - (3) Has a written plan for the protection of all residents in the event of a disaster, including keeping residents in place, evacuating residents to areas of refuge, evacuating residents from the building if necessary, or other methods of protection based on the disaster and the individual building design;
  - (4) Completes a pre move-in screening with participation of the prospective resident:
- 128 (5) Completes for each resident a community based assessment, as defined in 129 subdivision (7) of section 198.006:
  - (a) Upon admission;
  - (b) At least semiannually; and
  - (c) Whenever a significant change has occurred in the resident's condition which may require a change in services;
  - (6) Based on the assessment in subsection 6 of this section and subdivision (5) of this subsection, develops an individualized service plan in partnership with the resident, or legal representative of the resident, that outlines the needs and preferences of the resident. The individualized service plan will be reviewed with the resident, or legal representative of the resident at least annually, or when there is a significant change in the resident's condition which may require a change in services. The signatures of an authorized representative of the facility and the resident, or the resident's legal representative shall be contained on the individualized service plan to acknowledge that the service plan has been reviewed and understood by the resident or legal representative;
  - (7) Makes available and implements self-care, productive and leisure activity programs which maximize and encourage the resident's optimal functional ability;
    - (8) Ensures that the residence does not accept or retain a resident who:
- **(a)** Has exhibited behaviors that present a reasonable likelihood of serious harm 147 to himself or herself or others;

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- 148 (b) Requires physical restraint;
- 149 (c) Requires chemical restraint. As used in this paragraph, the following terms 150 mean:
- 151 a. "Chemical restraint", a psychopharmacologic drug that is used for discipline or 152 convenience and not required to treat medical symptoms;
- 153 b. "Convenience", any action taken by the facility to control resident behavior or 154 maintain residents with a lesser amount of effort by the facility and not in the resident's 155 best interest:
  - c. "Discipline", any action taken by the facility for the purpose of punishing or penalizing residents;
  - (d) Requires skilled nursing services as defined in subdivision (23) of section 198.006 for which the facility is not licensed or able to provide;
  - (e) Requires more than one person to simultaneously physically assist the resident with any activity of daily living, with the exception of bathing and transferring;
  - (f) Is bed-bound or similarly immobilized due to a debilitating or chronic condition; and
  - (9) Develops and implements a plan to protect the rights, privacy, and safety of all residents and to protect against the financial exploitation of all residents.
  - 5. Exceptions to paragraphs (d) through (f) of subdivision (8) of subsection 4 of this section shall be made for residents on hospice, provided the resident, designated representative, or both, and the assisted living provider, physician, and licensed hospice provider all agree that such program of care is appropriate for the resident.
  - 6. If an assisted living facility accepts or retains any individual with a physical, cognitive, or other impairment that prevents the individual from safely evacuating the facility with minimal assistance, the facility shall:
    - (1) Ensure that the resident is housed only on the ground floor of the facility;
  - (2) Have sufficient staff present and awake twenty-four hours a day to assist in the evacuation;
- (3) Include an individualized evacuation plan in the service plan of the resident; 177 and
- 178 (4) Be equipped with an automatic sprinkler system in compliance with National 179 Fire Protection Association Code 13 or National Fire Protection Association Code 13R, and 180 an automated fire door system and smoke alarms in compliance with 13-3.4 of the 1997 181 Life Safety Codes for Existing Health Care Occupancy, or for multilevel facilities, be 182 equipped with an automatic sprinkler system in compliance with National Fire Protection Association Code 13 and each floor shall be divided into at least two smoke sections and 183

fire alarms in compliance with 13-3.4 of the 1997 Life Safety Codes for Existing Health Care Occupancy;

- (5) Take necessary measures to provide residents with the opportunity to explore the facility and, if appropriate, its grounds; and
- (6) Use a personal electronic monitoring device for any resident whose physician recommends the use of such device.
- 7. An individual admitted or readmitted to the facility shall have an admission physical examination by a licensed physician. Documentation should be obtained prior to admission but shall be on file not later than ten days after admission and shall contain information regarding the individual's current medical status and any special orders or procedures that should be followed. If the individual is admitted directly from a hospital or another long-term care facility and is accompanied on admission by a report that reflects his or her current medical status, an admission physical shall not be required.
- 8. Facilities licensed as an assisted living facility shall disclose to a prospective resident, or legal representative of the resident information regarding the services the facility is able to provide or coordinate, the costs of such services to the resident, and the resident conditions that will require discharge or transfer, including the provisions of subdivision (8) of subsection 4 of this section.
- 9. After January 1, 2008, no facility shall hold itself out as an assisted living facility or advertise itself as an assisted living facility without obtaining a license from the department to operate as an assisted living facility.
- 10. Any facility that is licensed as a residential care facility II prior to August 28, 2006, and is eligible to receive supplemental welfare assistance payments under section 208.030, RSMo, shall continue to receive such payment as long as eligibility requirements are met and until such time as the department of health and senior services has effected rules under subsection 12 of this section.
- 11. For assisted living facilities built after August 28, 2006, or which have major renovations after August 28, 2006, such single-level assisted living facilities or the major renovation portion shall be equipped with an automatic sprinkler system in compliance with National Fire Protection Association Code 13R of the 1997 Life Safety Codes for Existing Health Care Occupancy, or for such multilevel assisted living facilities or the major renovation portion shall be equipped with an automatic sprinkler system in compliance with National Fire Protection Association Code 13 and each floor shall be divided into two smoke sections and fire alarms in compliance with 13-3.4 of the 1997 Life Safety Codes for Existing Health Care Occupancy. Existing facilities seeking to be licensed as assisted living facilities shall meet the fire safety standards for residential care facilities

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220 II in effect on August 28, 2006, unless such facilities seek to admit one or more individuals 221 with physical, cognitive, or other impairments that prevent the individuals from safely 222 evacuating the facility with minimal assistance, in which case such facilities shall comply 223 with subsection 6 of this section.

12. The department of health and senior services shall promulgate rules to ensure compliance with this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

Section 1. Any residential care facility II licensed under chapter 198, RSMo, which does not use the term "assisted living" in the name of their licensed facility on or before May 1, 2006, shall be prohibited from using such term after August 28, 2006, unless licensed as an assisted living facility.

